

Kerala Gazette No. 4 dated 24th January 2012.

**PART II**



**SECRETARIAT OF THE KERALA LEGISLATURE**

**NOTIFICATION**

No. 6060/Legn.1/2011/Leg.      *Dated, Thiruvananthapuram, 7th January 2012.*

The Kerala Essential Articles Control (Amendment) Bill, 2011 together with the Statement of Object and Reasons and the Financial Memorandum is published, under Rule 69 of the Rules of Procedure and Conduct of Business in the Kerala Legislative Assembly.

P. D. RAJAN,  
*Secretary,  
Legislative Assembly.*

**Thirteenth Kerala Legislative Assembly****Bill No. 63**

[Translation in English of “2011-ലെ കേരള അത്യാവശ്യ സാധന നിയന്ത്രണ (ഭേദഗതി) ബിൽ” published under the authority of the Governor.]

**THE KERALA ESSENTIAL ARTICLES CONTROL (AMENDMENT)****BILL, 2011****A*****BILL***

*to amend the Kerala Essential Articles Control Act, 1986*

*Preamble.*—WHEREAS, it is expedient to amend the Kerala Essential Articles Control Act, 1986, for the purposes hereinafter appearing ;

BE it enacted in the Sixty-second year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Essential Articles Control (Amendment) Act, 2011.

(2) It shall come into force at once.

2. *Amendment of section 2.*—In section 2 of the Kerala Essential Articles Control Act, 1986 (13 of 1986) (hereinafter referred to as the principal Act), in clause (a), for the words “any article, not being an essential commodity as defined in the Essential Commodities Act, 1955 (Central Act 10 of 1955) which may be declared by the Government by notified order to be an essential article”, the words “any article which may be declared by the Government by notified order to be an essential article and in respect of which the State Legislature is competent to make laws” shall be substituted.

3. *Insertion of a new section.*—After section 14 of the principal Act, the following section shall be inserted, namely:—

“14A. *Overriding effect of the Act.*—The provisions of this Act or any orders issued thereunder shall have effect notwithstanding anything contained in the Essential Commodities Act, 1955 (Central Act 10 of 1955) or any orders issued thereunder or in any other law for the time being in force.”.

## STATEMENT OF OBJECTS AND REASONS

Section 2 (a) of the Kerala Essential Articles Control Act, 1986 (13 of 1986) defines the term ‘essential article’ as any “any article, not being an essential commodity as defined in the Essential Commodities Act, 1955 (Central Act 10 of 1955), which may be declared by the Government by notified order to be an essential article. The Government of India have issued the Removal of (Licensing requirements, Stock Limits and Movement Restrictions) on Specified Foodstuffs Order, 2002 vide G. S. R. 104 (E) dated the 15th February, 2002 declaring that any dealer may freely buy, stock, sell, transport, distribute, dispose, acquire, use or consume any quantity of wheat, paddy/rice, pulses, sugar, edible oils etc. and shall not require a permit or license therefor under any order issued under the Essential Commodities Act, 1955. The object of Government of India was to check price rise by allowing the free flow of essential commodities in the open market. Consequently all licensing orders have become defunct. Exploiting the loopholes of the said Order almost all States including Kerala have witnessed black marketing, hoarding, smuggling of essential commodities leading to unbridled price hike. It was in this background that Government of India have restored control over wheat and pulses and force of this order was extended for six months at a stretch. However, the order was in force only upto the 31st August, 2008.

2. It is in this context that the State Government have decided to enact a legislation for ensuring free flow and equitable distribution of essential commodities. Hoarding and consequent price rise can be checked by this measure.

3. As essential commodities defined in the Essential Commodities Act, 1955 (Central Act 10 of 1955) are excluded from the purview of Kerala Essential Articles Control Act, 1986, essential commodities like rice, wheat etc. can be notified as essential articles only if the scope of the term “essential article” under section 2 (a) of the said Act is widened by way of an amendment.

4. The Bill seeks to amend the Kerala Essential Articles Control Act, 1986 to achieve the above object.

FINANCIAL MEMORANDUM

The Bill, if enacted and brought into operation would not involve any expenditure from the Consolidated Fund of the State.

OOMMEN CHANDY.

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